

N E W S R E L E A S E

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California's Unemployment Rate Declines to 5.1 Percent **Payroll Employment Up 24,300 Jobs**

SACRAMENTO – California's unemployment rate was 5.1 percent in December, down from a revised 5.3 percent in November, the state Employment Development Department (EDD) reported today. A year ago, in December 2004, California's unemployment rate was 6.0 percent.

The annual average unemployment rate in California in 2005 was 5.4 percent. The annual average in 2004 was 6.2 percent.

According to EDD's survey of employers, nonfarm payroll employment in California increased by 24,300 jobs over the month, for a total of 14,879,200.

According to the separate survey of households, the number of Californians holding jobs in December was 17,118,000. This was an increase of 115,000 from November, and up 538,000 from the employment total in December of last year.

The number of people unemployed in California was 921,000 – a decline of 22,000 over the month, and down by 130,000 compared with December of last year.

Of the unemployed, 319,100 were laid off, 79,500 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 336,296 people receiving regular unemployment insurance benefits during the December survey week. This compares with 330,500 last month and 394,832 last year. At the same time, new claims for unemployment insurance were 46,812 in December 2005, compared with 45,048 in November and 48,436 in December of last year.

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WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,879,200 in December, a net gain of 24,300 jobs since the November survey. This followed a gain of 32,500 jobs (as revised) in November.

Nine of the categories (**natural resources and mining; construction; manufacturing; information; financial activities; professional and business services; educational and health services; other services; and government**) added jobs over the month, gaining 25,300 jobs. The construction industry showed the largest gain, up by 6,600 jobs. Two categories (**trade, transportation and utilities and leisure and hospitality**) reported job declines this month, down 1,000 jobs. Leisure and hospitality posted the largest decline over the month, down by 600 jobs.

In a year-over-year comparison (December 2004 to December 2005), nonfarm payroll employment in California increased by 233,700 jobs (up 1.6 percent).

Eleven industry divisions (**natural resources and mining; construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 233,700 jobs. On both a numerical and percentage basis, construction showed the strongest employment growth, adding 67,700 jobs (a 7.8 percent increase). Leisure and hospitality and professional and business services recorded the next largest gains, adding 35,800 jobs (up 2.5 percent) and 33,300 jobs (up 1.6 percent), respectively.

No industries posted job declines over the year.

WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, employment in **trade, transportation and utilities** showed the largest non-seasonally adjusted gain, up by 32,000 jobs. Most of the gains were in retail trade, which added 30,100 jobs. **Government** recorded the greatest non-seasonally adjusted loss, down by 8,800 jobs. The losses were concentrated in state and local government, which declined by 3,100 jobs and 6,000 jobs, respectively.

The **construction** industry reported the largest gain over the year, up 68,000 jobs. The gains were mainly in the specialty trade contractors sector, which was up by 46,200 jobs. The **leisure and hospitality** industry recorded the second largest gains over the year, adding 35,400 jobs. The gains were concentrated in the accommodation and food service sector, which was up by 28,200 jobs, mainly in food services and drinking places, which added 24,700 jobs. No industries reported decreases over the year.

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA
(Amounts in thousands)

Industrial Classification	December 2005 (prelim.)	November 2005	December 2004	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,879.2	14,854.9	14,645.5	1.6
Natural resources and mining	23.5	23.3	23.2	1.3
Construction	938.0	931.4	870.3	7.8
Manufacturing	1,538.7	1,536.7	1,535.1	0.2
Trade, transportation and utilities	2,794.4	2,794.8	2,778.9	0.6
Information	485.7	484.0	479.1	1.4
Financial activities	927.8	925.4	916.4	1.2
Professional and business services	2,163.7	2,158.0	2,130.4	1.6
Educational and health services	1,596.3	1,593.1	1,571.1	1.6
Leisure and hospitality	1,489.8	1,490.4	1,454.0	2.5
Other services	509.8	508.1	506.2	0.7
Government*	2,411.5	2,409.7	2,380.8	1.3
Agriculture	370.4	371.6	368.3	0.6

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	December 2005	November 2005	October 2005	December 2004
Civilian labor force ^a	18,039,000	17,946,000	17,974,000	17,631,000
Total civilian employment	17,118,000	17,003,000	17,038,000	16,580,000
Unemployment	921,000	943,000	936,000	1,051,000
Seasonally adjusted rate %	5.1	5.3	5.2	6.0
US seasonally adjusted rate % .	4.9	5.0	4.9	5.4

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	December 2005	November 2005	October 2005	December 2004
Civilian labor force ^a	17,993,000	17,942,000	18,010,000	17,627,000
Total civilian employment	17,123,000	17,018,000	17,109,000	16,630,000
Unemployment	870,000	924,000	901,000	997,000
Unadjusted rate %	4.8	5.1	5.0	5.7

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
December 2005 (Preliminary); 2004 BENCHMARK
NOT SEASONALLY ADJUSTED

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	17,992,900	17,122,900	870,000	4.8%
ALAMEDA	772,800	740,400	32,400	4.2%
ALPINE	580	550	30	4.7%
AMADOR	17,240	16,440	800	4.7%
BUTTE	100,700	94,900	5,900	5.8%
CALAVERAS	20,370	19,310	1,070	5.2%
COLUSA	9,200	7,650	1,550	16.8%
CONTRA COSTA	523,800	502,900	20,900	4.0%
DEL NORTE	10,760	10,000	770	7.1%
EL DORADO	92,400	88,600	3,800	4.2%
FRESNO	403,700	369,600	34,100	8.5%
GLENN	12,050	11,140	910	7.6%
HUMBOLDT	61,300	58,100	3,200	5.3%
IMPERIAL	63,400	54,900	8,500	13.4%
INYO	9,460	9,040	430	4.5%
KERN	321,300	295,200	26,100	8.1%
KINGS	55,200	50,500	4,700	8.5%
LAKE	25,080	23,230	1,860	7.4%
LASSEN	12,320	11,390	940	7.6%
LOS ANGELES	4,967,400	4,714,900	252,600	5.1%
MADERA	63,500	58,900	4,500	7.1%
MARIN	133,000	128,700	4,400	3.3%
MARIPOSA	8,140	7,620	530	6.5%
MENDOCINO	44,310	41,990	2,320	5.2%
MERCED	101,100	91,400	9,600	9.5%
MODOC	4,050	3,730	320	7.8%
MONO	9,780	9,420	360	3.7%
MONTEREY	204,300	185,600	18,700	9.2%
NAPA	72,300	69,400	2,900	4.0%
NEVADA	49,930	47,900	2,020	4.1%
ORANGE	1,636,900	1,585,000	51,900	3.2%
PLACER	160,800	155,100	5,700	3.6%
PLUMAS	10,720	9,900	820	7.6%
RIVERSIDE	840,500	804,000	36,500	4.3%
SACRAMENTO	688,000	659,700	28,300	4.1%
SAN BENITO	25,600	23,500	2,100	8.1%
SAN BERNARDINO	868,900	831,700	37,200	4.3%
SAN DIEGO	1,537,200	1,481,600	55,700	3.6%
SAN FRANCISCO	433,400	415,400	17,900	4.1%
SAN JOAQUIN	287,700	267,400	20,300	7.0%
SAN LUIS OBISPO	132,500	127,700	4,800	3.6%
SAN MATEO	371,200	357,900	13,400	3.6%
SANTA BARBARA	217,900	208,900	9,000	4.1%
SANTA CLARA	828,600	791,400	37,200	4.5%
SANTA CRUZ	147,900	138,700	9,300	6.3%
SHASTA	85,100	79,800	5,300	6.2%
SIERRA	1,580	1,450	130	8.0%
SISKIYOU	18,970	17,260	1,700	9.0%
SOLANO	214,900	204,900	9,900	4.6%
SONOMA	259,200	249,400	9,800	3.8%
STANISLAUS	231,500	214,400	17,100	7.4%
SUTTER	41,800	38,000	3,900	9.2%
TEHAMA	25,360	23,890	1,470	5.8%
TRINITY	5,250	4,720	530	10.1%
TULARE	177,400	160,300	17,000	9.6%
TUOLUMNE	27,000	25,540	1,460	5.4%
VENTURA	423,700	405,400	18,200	4.3%
YOLO	97,500	92,400	5,100	5.2%
YUBA	26,400	24,300	2,100	7.8%